Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of	
Telephone Number Portability	CC Docket No. 95-116

PETITION FOR EXTENSION OF TIME OF PACIFIC BELL

PACIFIC BELL

Robert M. Lynch
Durward D. Dupre
One Bell Plaza, Suite 3703
Dallas, Texas 75202
(214) 464-4244

Nancy C. Woolf
140 New Montgomery Street, Rm. 1522A
San Francisco, California 94105
(415) 542-7657

Its Attorneys

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SUMMARY

We were informed in mid-December 1997 that a key vendor, Perot Systems, would be unable to deliver the regional Number Portability Administration Center/Service Management System database (NPAC/SMS or NPAC) that is needed before any carrier in the region can perform long-term number portability. Perot was to deliver a certified NPAC on October 1, 1997; because Perot could not meet that date, it was subsequently renegotiated to December 15, 1997. Information from Perot is that they could provide a certified NPAC on July 6, 1998, which would push commercial portability for Phase I into August. Every carrier in the region is similarly affected, and the slippage in schedule affects three different regions of the US.

The FCC split the country into seven regions, and carriers in each region formed a Limited Liability Company (LLC)[1] to oversee and administer the regional databases which permit carriers operating in the region to upload and download information concerning customers and their service provider choices. The LLCs are composed of incumbent Local Exchange Carriers (ILECs) and competitive LECs (CLECs) and each member of the LLC has one vote. Each LLC chose an NPAC provider by a Request for Proposal (RFP) process. Perot was the NPAC provider chosen by three of the LLC regions: Western (US West territory), West Coast (Pacific/Nevada and Hawaii), and Southeast (Bell South territory). The remainder of the regions chose Lockheed Martin.

[1] *Telephone Number Portability*, CC Docket No. 95-116, *Second Report & Order*, released August 18, 1997, (*Second Report & Order*) ¶16.

Per contract, Perot was to have supplied a certified NPAC to the three regions by December 15, 1997. The most recent Perot plan pushed that date out to July 6, 1998. Because industry cooperative testing must take place after delivery of the NPAC, commercial porting will not be able to start until mid-August. The FCC-mandated schedule for number portability requires implementation of three phases of MSAs prior to July 1998. Carriers operating in the three regions that have chosen Perot will be unable to meet those dates. On February 10, 1998, after examining its options, the West Coast LLC terminated its contract with Perot, and on February 13, 1998 engaged Lockheed Martin as its new vendor to supply the regional certified NPAC/SMS. The Southeast and Western LLC Regions likewise have terminated their contract with Perot and engaged Lockheed Martin.

Pacific Bell seek a delay in the implementation timeline mandated by the FCC due to the failure of this key vendor. From the time we receive a certified NPAC, we seek a seven and one-half month time period in which to complete implementation for the FCC-mandated five phases for the 13 MSAs in our region that are in the top 100 MSAs. Assuming we receive the certified NPAC from Lockheed Martin on May 11, 1998 on, Pacific seeks to begin implementation on approximately June 15, 1998, and be complete by December 31, 1998. Despite the six month delay in receiving a certified NPAC , Pacific is seeking only a three and one-half month extension of the Phase I completion date, and plans on completing Phase V implementation by the FCC mandated date of December 31, 1998.

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I. INTRODUCTION

Pacific Bell (Pacific) files this Petition for Extension of Time of the implementation timeline set forth by the Commission 47 CFR 52.3(b) and in the *First Memorandum Opinion and Order on Reconsideration* in this docket, released March 11, 1997 ("*Reconsideration Order*"). The *Reconsideration Order* requires local exchange carriers to institute service provider number portability in the 100 largest MSAs nationwide by December 31, 1998. The FCC has set five phases of deployment, and has assigned set MSAs to each phase.[2] The FCC required the first phase, containing the

[2] *Telephone Number Portability*, CC Docket No. 95-116, *First Report & Order*, 111 FCC Rcd 8393 (*First Report & Order*).

largest MSAs, to complete by March 31, 1998; Phase II is slated to complete May 15, 1998; Phase III is slated to complete June 30, 1998; Phase IV is slated to complete September 30, 1998; and Phase V is slated to complete December 31, 1998.[3] Pursuant to 47 CFR 52.23(b)(2)(iv) additional MSAs are subject to a bona fide request process after the expiration of the first five phases.

On February 20, 1997, Southwestern Bell and Pacific Bell filed a petition for extension of time related to the STP vendor. In that Petition, we noted that Pacific would be filing this Petition relating to the NPAC. And, as we stated earlier, the DSC issues in the 2/20 petition do not require additional time in the schedule. By the time the NPAC is in place we fully expect the STPs to be ready.

By this waiver, we seek a delay in the schedule to accommodate the failure of the original supplier of the regional number portability database to meets its contractual commitment and the subsequent delay in receiving a certified NPAC/SMS from our new vendor Lockheed Martin. From the time we receive a certified NPAC, we seek an 7 1/2 month time period in which to complete implementation of all of the FCC-mandated phases. The following table indicates the time we would use to begin to actually begin to commercially port telephone numbers once we get a certified NPAC from Lockheed Martin.

[3] *Reconsideration Order*, Appendix E.

Phase	MSA	Proposed Start	Proposed Finish
Phase 1	Los Angeles	39 Days From Receipt of a Certified NPAC	72 Days From Receipt of a Certified NPAC
Phase 2	San Diego, Riverside	73 Days From Receipt of a Certified NPAC	102 Days From Receipt of a Certified NPAC
Phase 3	Oakland, San Francisco, Orange County	103 Days From Receipt of a Certified NPAC	132 Days From Receipt of a Certified NPAC
Phase 4	San Jose, Fresno, Sacramento	133 Days From Receipt of a Certified NPAC	162 Days From Receipt of a Certified NPAC
Phase 5	Ventura, Stockton, Vallejo, Bakersfield	163 Days From Receipt of a Certified NPAC	238 Days From Receipt of a Certified NPAC

Assuming we receive the certified NPAC on May 11 1998, we seek a delay in the completion of Phase I until July 19, 1998; Phase II until August 18, 1998; Phase III until September 17, 1998; and Phase IV until October 19, 1998. Phase V under our current plan will complete on December 31, 1998. Since this Phase V completion date meets the FCC required port date for Phase V, no extension in the completion date is needed. The bona fide request process would commence January 1, 1999. Even though the certified NPAC is not provided to Pacific until approximately 5 months after the original date from Perot of December 15, 1997, the delay we seek via this waiver does not delay the overall end date for porting established by the FCC as December 31, 1998.

The implementation of number portability in the existing local exchange network is the most costly and complex change ever to occur in the telecommunications business. It requires significant changes to call processing, call routing, network switches, signaling network, business processes, support systems, operator services and billing processes.

Hundreds of millions of dollars are being spent, and have already been spent, to deploy this massive change in our network. In the Reconsideration Order, the Commission extended implementation dates in order to safeguard network reliability. We share that concern.[4] Network reliability continues to be of utmost concern to Pacific and we will ensure that any network changes will not adversely affect our customers.[5]

The *Reconsideration Order* delayed the introduction of number portability for Phases I and II from the dates initially ordered in the *First Report & Order*. In addition, the *Reconsideration Order* concluded that LECs need only provide number portability within the 100 largest MSAs in switches for which another carrier has made a specific request for the provision of portability.[6] The *Reconsideration Order* acknowledges that the implementation timeframes ordered relied on the representations of switch vendors regarding the dates by which the necessary switching software will be generally available for deployment.[7] While the switching software itself is not the problem precipitating this

[4] *Reconsideration Order*, ¶78. See also Ex parte Letter to William Caton from Alan Ciamporcero dated Feb. 26, 1997. *Accord*, Petition for Clarification or in the Alternative Reconsideration, filed by Pacific Bell and Nevada Bell, CC Docket No. 95-116, filed August 26, 1996.

[5] Pacific remains concerned that the FCC's schedule requires us to deploy a new technology in the most populous MSA first; as we have said in the past, we prefer to deploy new services in less populous areas first so that network reliability can be adequately protected. This is consistent with common engineering principles.

[6] In Pacific's territory in the initial three Phases, all switches in the MSAs have been designated by other carriers.

[7] *Reconsideration Order*, para. 48.

waiver, the products of another type of vendor, the NPAC/SMS,[8] is. We will demonstrate the substantial work underway in the Pacific network, and why it is solely the failure of the LLC-selected vendor that has caused us to be unable to meet the FCC-mandated schedule.

Many efforts are underway to implement LNP. Externally, since 1995 Pacific Bell has participated on the California Local Number Portability Task Force, which reports its findings to the California Public Utilities Commission (CPUC).[9] In addition, Pacific is one member of the West Coast Portability Services LLC, which is responsible for choosing and contracting with a vendor for the regional SMS database for LNP in California, Nevada and Hawaii. The LLC entered into a contract with Perot Systems on May 15, 1997 for development, maintenance administration, and operation of a number portability administration center and service management system. On February 10, 1998 the West Coast LLC terminated their contract with Perot, and on February 13, 1998 engaged Lockheed Martin as the new vendor for the West Coast NPAC/SMS.

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[8] "The [NPAC/SMS] is a hardware and software platform that will contain the database of information required to effect the porting of telephone numbers. In general, the [NPAC/SMS] will receive customer information from both the old and new service providers, validate the information received, and download the new routing information when an "activate" message is received indicating that the customer has been physically connected to the new service provider's network. The [NPAC/SMS] will contain a record of all ported numbers and a history file of all transactions relating to the porting of a number. The [NPAC/SMS] will also provide audit functionality and the ability to transmit routing information to service providers to maintain synchronization of the service providers' network elements that support portability." *Second Report & Order,* n.31.

[9] Pacific co-chairs this Task Force, along with representatives from MCI and AT&T.

Internally, Pacific has mobilized many departments to develop and prepare for LNP. Substantial amounts of engineering, procurement, installation, testing, and support system development have been accomplished. A management team is in place to oversee the project and keep it on the very strict timelines mandated by the FCC.[10]

II. THE NPAC/SMS PROVIDER HAS MISSED ITS CONTRACTUAL DEADLINE

Due to no fault of Pacific, or the LLC, the originally selected vendor of the NPAC/SMS, Perot Systems, was unable to meet the delivery dates and quality standards required by its contract. Pacific seeks this waiver due solely to this failure of the vendor chosen by the LLC. The LLC worked closely with Perot in order to meet the implementation schedule.[11] In the initial agreement, Perot was to deliver a certified NPAC by October 1, 1997. When the date was delayed Perot met with the service providers in September of 1997 to renegotiate a new course of action to deliver a certified NPAC by December 15, 1997. Pacific Bell determined it could adjust its internal schedule to accommodate the delay.[12] However, as detailed in section V (A), below, serious problems arose and became exacerbated.

Pacific started its testing with Perot at the end of October, pursuant to the test schedule set by the LLC and by Perot. It quickly became apparent that there were serious problems with the Perot platform, affecting all service providers. In November, due to

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[10] See Declaration of Sally D. Swan attached as Exhibit A for more information about Pacific's implementation efforts.

[11] This occurred despite substantial financial incentives that were written into the contract in an attempt by the LLC to give incentive to Perot to meet the agreed-upon dates.

[12] See Ex parte Letter to William F. Caton from Lincoln Brown dated Sept. 19, 1997; Ex parte Letter to Magalie Roman Salas from Lincoln Brown dated Nov. 19, 1997.

concerns with Perot, the three regional LLCs hired a third party, sente, to perform an audit of the Perot NPAC project. The audit report notes various problems with Perot, including lack of resources dedicated to the project, troubling audit processes, failure to deliver commitments, and inefficient management of problem tracking and reporting. It was not until December that Pacific and the LLC realized that the Perot commitment date of December 15, 1997 was in serious jeopardy. A full recitation of the facts is contained in section V (A), below.

III. A FULLY FUNCTIONAL NPAC/SMS IS ESSENTIAL FOR DEPLOYMENT OF LOCAL NUMBER PORTABILITY

The regional NPAC/SMS is an irreplaceable component for local number portability implementation. It is the master database containing the routing information for all ported numbers in an entire region of the country. The regional NPAC/SMS is a third party system that manages local number portability requests between service provider ordering systems and networks for a given region. Information from the regional NPAC/SMS serves as the trigger that activates portability functions within the routing databases, switches, and support systems of a service provider. The regional system periodically downloads ported number routing information (the location routing number or "LRN") to local Service Management System databases. Each carrier uses a local Service Management System to update its network elements with LRN information which is used in the query process to correctly route calls to ported telephone numbers.

There is no substitute for a fully operational NPAC/SMS. The potential volume of porting activity along with the technical complexity of LNP service management

system functionality, and the competitive environment between service providers makes any manual interface replacing this functionality impossible. Synchronization of multiple networks depends on a fully functional and dependable NPAC/SMS.

It is not just the incumbent LEC who is dependent on a fully functioning regional NPAC/SMS. Every service provider in the region must use this central database and subscription system in order for portability to work. Each carrier serving the region must connect to the NPAC in order to send and receive information on numbers that are porting to and from service providers.

Until February 10, 1998 Perot Systems was the local number portability administrator and provider of the NPAC/SMS for 3 regional LLCs: Southeast, Western and West Coast.[13] Lockheed Martin was the administrator for Northeast, Mid-Atlantic, Midwest, and Southwest regions. All of the regions contracted with Perot were affected by the non-delivery of the Perot NPAC/SMS. All 3 of the former Perot LLC regions have now signed contracts with Lockheed Martin to be their NPAC/SMS vendor.

IV. A WAIVER IS JUSTIFIED BY THE PEROT'S FAILURE TO PROVIDE AN ESSENTIAL PART OF THE LNP SYSTEM

The Commission may waive any provision of its rules, in whole or in part, if good cause if shown. 47 C.F.R. §1.3. An applicant for a waiver must demonstrate that special circumstances warrant a deviation from the general rule and that such deviation will serve the public interest. *Northeast Cellular Telephone Co. v. FCC*, 897 F.2d 1164, 1166 (D.C.

[13] See *Second Report & Order*, para. 33.

Cir. 1990); *WAIT Radio v. FCC*, 418 F.2d 1153 (D.C. Cir. 1969). The Commission has recognized that the unavailability of a product from a manufacturer is an appropriate ground for finding good cause. For example, the Common Carriers Bureau recently granted waivers to various small local exchange carriers in connection with the conversion to 4 digit CIC code implementation. In those waivers the Bureau recognized that the products these companies needed to accomplish the upgrade to their individual networks are not readily available from switch manufacturers, and that has caused the companies a delay in meeting the FCC-mandated schedule. *Clarks Telecommunications Co., et al.* DA 97-2528, released December 3, 1997.

Similarly, in 1996, the Bureau granted a waiver to Pacific Bell for its ONA requirements for its Calling Directory Number Delivery via Bulk calling Line Identification service (BCLID). In the waiver, which Pacific requested because of CPE vendor product availability problems, the Bureau ruled that good cause was shown for the waiver.[14]

Therefore, a delay in implementation due to vendor product availability is a recognized reason to grant waivers. And, as we will show below, we have substantial, credible evidence that the reason for the delay is due to extraordinary circumstances beyond our control. We meet all of the FCC's additional standards set out in the *First Report & Order*.

In order to mitigate the effects of the vendor problem, we have changed NPAC providers in order to speed the implementation of LNP.

[14] 11 FCC Rcd 14338 (1996).

V. EXTRAORDINARY CIRCUMSTANCES JUSTIFY A LIMITED WAIVER OF THE IMPLEMENTATION DEADLINES

The *First Report & Order* contains a specific delegation of authority to the Chief, Common Carrier Bureau to waive or stay any of the dates in the implementation schedule, "as the Chief determines is necessary to ensure the efficient deployment of number portability, for a period not to exceed 9 months." The *Order* states that a carrier may file with the Commission, at least 60 days in advance of the deadline, a petition to extend the implementation time periods.[15] The Commission stated that "a carrier seeking relief must present extraordinary circumstances beyond its control in order to obtain an extension of time." Substantial, credible evidence must be the basis of any request. And, any request must show "(1) the facts that demonstrate why the carrier is unable to meet [the] deployment schedule; (2) a detailed explanation of the activities that the carrier has undertaken to meet the implementation schedule prior to requesting an extension of time; (3) an identification of the particular switches for which the extension is requested; (4) the time within which the carrier will complete deployment in the affected switches; and (5) a proposed schedule with milestones for meeting the deployment date."

We will show by substantial credible evidence that we are in compliance with all of these items.

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[15] This date was extended until March 1, 1998 for the NPAC waiver. *Local Number Portability Phase I Implementation*, CC Docket No. 95-116, *Order*, released January 28, 1998.

A. We Are Unable To Meet The FCC-Mandated Schedule

The regional NPAC/SMS is an irreplaceable component for local number portability implementation. The regional NPAC/SMS is a third party system that manages local number portability requests between service provider ordering systems and networks for a given region. Information from the regional NPAC/SMS serves as the trigger that activates portability functions within the routing databases, switches, and support systems of a service provider.

After problems occurred, Perot's ability to supply a certified NPAC was delayed until July 6, 1998. Obviously, the delivery of a certified NPAC is necessary before number portability can commence. For that reason the West Coast LLC entered into a contract with Lockheed Martin for the NPAC on February 13, 1998.

1. Background of Activities undertaken in California

Beginning in mid-1995, telecommunications industry members in California created the California LNP Task Force. In July 1995, the California Public Utilities Commission (CPUC) directed the Task Force to investigate technical criteria for a trial of permanent number portability.[16] Since that time, the Task Force has met on a regular basis. Copies of the minutes of each meeting are filed with the CPUC. The task force has or has had various subcommittees: Operations and Implementation; Testing; Operator Services; and Rating & Billing. Other subteams have been formed as needed (Legal, Negotiations.) Pacific Bell has actively participated on all of these

[16] CPUC Decision 95-07-054, July 24, 1995, O.P. 12.

subcommittees; and the industry has been able to resolve many disputed issues through this process.

In July 1996, the FCC issued the *First Report & Order* in this docket specifying that regionally-deployed databases should be established, and that they should be administered by one or more neutral, third-parties.[17] In the *Second Report & Order*, the Commission ordered that the regional LLCs should manage and oversee the local administrators, subject to review by the North American Numbering Council (NANC).[18] In a decision in August, the CPUC ordered the Task Force to proceed with the selection of a vendor to meet the FCC's implementation schedule.[19]

In September, 1996, the West Coast Portability Services, LLC (WCPS) was formed by certain members of the Task Force. WCPS was formed to prepare and issue a Request for Proposal (RFP) to solicit bids from vendors to develop and maintain the NPAC/SMS database in California, to review bids and select one or more vendors, to negotiate a contract with the vendor(s), to supervise and oversee the vendor(s) and for other related purposes. After extensive discussions, the WCPS members drafted and signed an LLC Operating Agreement.[20] Currently, there are 12 members representing an

[17] *First Report & Order*, para. 91-92.
[18] 47 C.F.R. §52.26(b).
[19] CPUC Decision 96-08-041.
[20] The Agreement provided that facilities-based LECs, CLCs, and CMRS providers are eligible for membership in the WCPS, provided that they express a good faith intent to begin LNP uploading within certain designated times.

array of telecommunications providers in California.[21] Each member is entitled to only one vote. The chair of the LLC is AT&T Communications of California.

A RFP was issued by WCPS in September 1996 inviting proposals from vendors to provide an NPAC/SMS. During the fall of 1996, responses to the RFP were received, vendor questions were answered and vendor presentations were made. In December the WCPS narrowed the field down to two vendors for further negotiations—Lockheed Martin and Perot Systems. In February the WCPS selected Perot Systems as the primary vendor.[22] A contract was entered into with Perot on May 15, 1997 for a October 1, 1997 delivery date of a certified NPAC/SMS.

2. Problems with Perot Systems

In September, Perot realized that it could not meet the October 1, 1997 delivery date. A revised schedule was jointly developed between the participating Service Providers and Perot. The new delivery of the certified NPAC was December 15, 1997. The renegotiated contract with Perot requires it to meet that performance date, or the contract could be terminated. Perot has failed to meet that date.

The problems associated with the Perot NPAC were wide and varied. The attached Declaration of David LeDuc attached as Exhibit B catalogs many of the specific

[21] Pacific Bell, (for itself and on behalf of Nevada Bell), GTE California Inc., AT&T Communications of California, MCI Metro Access Transmission Services, Inc., Sprint Communications Co. LP, Electric Lightwave Inc., Teleport communications Group, TCI Telephone Services of California, Inc., Cox California Telecom, Inc., Time Warner AxS of California, LP, MFS Communications, Inc., and Continental Telecommunications of California, Inc.

[22] Two members voted against the Perot selection at that time. Pacific Bell was one of them.

problems encountered. Generally, the contract between the LLC and Perot required testing to begin between Pacific and Perot in October. It soon became clear that there were major problems with the Perot platform: system crashes occurred, data loss occurred, and restoring service took hours.

At contract termination time there were over 100 Problem Reports on file with Perot detailing problems with the software (the fact that Perot and Nortel, Perot's software subcontractor, did not agree on the number and set of problem reports is a concern in itself). Perot provided a schedule that would have fixed problems and provide needed capabilities. Perot would not specify which problems would be resolved in any given release of the six software releases Perot had scheduled to remedy problems. Thus, the planning process was difficult.

Also, backup and disaster recovery plans were not released by Perot. Such plans must be in place and operational before commercial porting can begin, both for network reliability and customer service reasons. One key process for the NPAC is to audit the synchronicity of the different service provider databases. This feature was not operational in the Perot NPAC.

The Perot contract specifies that there must be zero "severity 1" defects, zero "severity 2" defects, and no more than five "severity 3" defects. A "severity 1" defect is "of a critical nature that prevents the continuation of the NPAC/SMS testing then underway, and affect any or all upstream, downstream, and parallel processes".[23] A "severity 2" defect is one that is detected in a specific area of the system "that causes or

[23] Master Contract, Appendix F.

results in the failure of an NPAC/SMS feature or function to test successfully in accordance with the specifications."[24] Most "severity 2" problems are fixed in the next software release. "Severity 3" defects are those which are non critical in nature. The outstanding PRs are all "severity 2" which are inappropriate in a certified NPAC. The LLC's position was that until Perot met the contractual obligation for the number of defects permitted, commencement of commercial porting was unacceptable.

Beginning in August, the West Coast LLC joined with the Southeast and Western Region LLCs to begin Cross-Regional LLC weekly conference calls to try and resolve the serious issues related to the Perot system. The cooperation permitted Perot to quickly communicate with the LLCs, and provided a way for the LLCs to provide answers and assistance to Perot. See Comments filed by West Coast Portability Services LLC in response to Public Notice DA 98-109 containing a history of the problems with Perot.

B. Detailed Explanation Of Activities We Have Taken To Meet The Schedule.

As explained above, Pacific has been an active participant in the industry groups which were formed in order to implement number portability in California . We are key members of the Task Force, participate in all phases of subcommittees and other efforts, we are active members of the West Coast Portability LLC, participate as a member of the NANC Local Number Portability Selection Working Group and Task Force, and we participate in state and federal regulatory proceedings concerning number portability.

In addition to these efforts external to the company, we have mobilized within the company to implement LNP. The design and implementation of the significant network,

[24] Id.

business system, and business process changes required to allow the porting of end users numbers involves every organization in the business. Pacific Bell management ensures that organizations affected by LNP are included in the scope of LNP design and implementation, and provides technological oversight for the implementation effort through focused support teams. The work groups implementing the LNP technology are:

- Information Technology - This group is responsible for the design and implementation of LNP functionality in the Business Systems. This effort includes upgrading, replacing, or adding applications in the ordering and provisioning systems (including the Local SMS), service assurance systems, billing systems, and E911. In total, more than 60 system applications within Pacific Bell are affected. Information Technology is also responsible for management of the LNP integrated test efforts for the company. This systems work is one of the worthy aspects of number portability deployment.

- Network Planning and Engineering - Designs and implements the required software and hardware upgrades in the network. This effort includes the high level network design, vendor technical coordination and evaluation, feature/components testing, upgrades selection and procurement, and network testing.

- Network Operations - Installs the required software and hardware upgrades in the network, and performs the required preconditioning and cutover translations and test efforts to "turn-up" the LNP features in the involved switches. Network Operations is also developing the monitoring processes and tools required to manage the network and the provisioning process in a porting environment.

- Business Process Design - LNP has required the redesign of business work flows associated with ordering, provisioning, billing and service assurance functions. These business flows define the requirements for system architecture design for the Network Services Group to make the needed modifications to ordering, provisioning, billing, and service assurance systems.

- Industry Markets - Manages the implementation of LNP in the facilities-based carrier ordering center (FLSC) and represents competitive local exchange carriers those customers in the product development process. Industry Markets also operates as the LNP Product Manager, establishing Business Policy, developing tariff filings, and providing Billing definition in support of LNP. Finally, they act as the primary CLEC interface providing updates to the CLEC Handbook,

training for the CLEC in new procedures, and appropriate language for the Interconnection Agreements as needed to incorporate LNP.

- Retail Markets - Manages the LNP M&P development and training needs of the marketing organization.

- Procurement - Negotiates and manages the significant subcontracting efforts required to obtain the software and hardware required to add LNP functionality.

- E911 - Develops and implements the required changes to the E911 system caused by LNP.

- Operator Services - Develops and implements the required changes to the operator's system caused by LNP. This includes upgrades required to maintain the ability to perform functions such as Busy Line Verify and Interrupt (BLVI) in an LNP environment.

In addition to the functional work groups, various management support has been established responsible for information systems, network implementations, and overall project management.

LNP represents a very significant and unique change to the business, combining fundamental changes to the network with major changes to our systems. With the exception of the NPAC, the upgrades and functionality required to support the introduction of LNP in Los Angeles, and all other areas covered by the mandate, are progressing satisfactorily. Status is provided in the following summary levels:

- Systems Development - The business systems required numerous changes because of LNP. More than 60 applications had to be modified or replaced in order to implement the new business model. The first release of the systems upgrades, deploying everything required to permit number portability, was completed in the third quarter of 1997. Follow-on releases are continuing to be developed which will increase the through-put capacity of the ordering and provisioning systems, and support the increasing volumes of porting expected as the later phases of deployment are cut.

- Network Deployment - Deployment of LNP requires software and in many cases hardware upgrades in 523 end offices throughout the network. In addition, 13 STP pairs needed upgrades and 5 ISCP pairs had to be added to the network. At the end of 1997 this massive effort was on track for the start of porting in Los Angeles in the first quarter of 1998.

- In Los Angeles, 98% of the end offices have completed the upgrade process, querying. Deployment of the LNP network upgrades in the Los Angeles MSA is expected to be complete by the end of March 1998. Significant progress has also been made across the network. Overall, 75% of the end offices have completed the infrastructure upgrades, and 30% have had the translations completed and are ready to begin querying.

- Integrated Testing - Testing of all of the business processes and systems (except the NPAC) integrated with the new network features began in November of 1997. This effort will verify the functionality of the integrated system (business systems and network elements) in all possible areas (less the NPAC), and will continue through February 1998. The next phase of testing, Cooperative Testing with the other carriers in the region, will not be able to be conducted until the NPAC is certified and available for use.

Pacific continues to work with all of the vendors supporting the LNP effort. We have experienced difficulties with other suppliers meeting their delivery dates, but we continue to work these issues and expect timely resolution. At our November 18, 1997 ex parte meeting with the FCC we discussed these vendor concerns. For example, ESI, the vendor involved in supplying our local SMS, has missed key milestones and their system still has many outstanding unresolved significant problems.

In attempting to meet the mandated timeline, the WCPS LLC explored other options. On February 10, 1998 based on the information provided by Lockheed Martin to the WCPS LLC, the decision was made to terminate its contract with Perot, and on February 13, 1998 the LLC signed a contract with Lockheed Martin. This change in NPAC suppliers necessitate other changes to our systems development due to different

network connectivity to the new NPAC, different test plans, etc. We have evaluated these changes and have recalculated the dates by which we expect to be able to perform number portability through the various phases. We note that the Commission, in the *Second Report & Order,* refers to Perot as the NPAC/SMS vendor for the West Coast Region.[25] We ask the Commission to take formal notice of the fact that the West Coast LLC Region has now contracted with Lockheed Martin as its vendor for the NPAC/SMS.

C. Identification Of Switches Affected

All of the selected switches in the Pacific Bell territory are affected by this waiver. In the first 3 phases of the MSAs listed as part of the FCC implementation of the top 100 MSAs, the carriers operating in those MSAs have chosen every switch, requiring us to implement LNP in all Pacific Bell switches in the first three phases. In Phase IV 65% of the switches were selected. A complete listing of each switch affected by this waiver is attached on Exhibit C.

D. Time In Which We Will Complete Deployment

Until a certified NPAC is delivered, we cannot begin final implementation of number portability. Once the certified NPAC is delivered, we will need approximately 30 days for cooperative/industry testing. This testing is dependent upon the NPAC and allows multiple carriers to interact with the NPAC in a cooperative, planned manner to test and ensure that porting subscriptions can be correctly processed between service providers through the NPAC. Internal validations ensure that Pacific's business

[25] *Second Report & Order*, at 33.

applications, network systems, methods, and procedures support the processes documented, developed, and implemented in support of LNP. External validations ensure that the inter-company business processes defined in the NANC process flows are followed by all CLECs and incumbent LECs.

Plans developed by the California LNP Task Force Operations and Implementation (OPI) Testing subcommittee were used as inputs to Pacific's cooperative test planning. The OPI used the Illinois FCC Field Trial Test Plan as a common reference for all CLECs and incumbent LECs to define required testing. The tests planned for California are a subset of those performed during the Illinois Trial. The cooperative testing that Pacific will perform will be a combination of the required testing defined by the OPI and testing of Pacific's internal functions.

After that 30 day cooperative testing period, Pacific will begin to accept and process orders for live porting transactions in the Los Angeles MSA approximately 1 work day after the conclusion of intercompany testing. Thus, approximately 40 days after delivery of a certified NPAC, Pacific will be able to commence porting in the Phase I MSA. Assuming the NPAC availability date from Lockheed Martin remains May 11 , 1998, the implementation of porting in Los Angeles would be June 18, 1998 with completion of that MSA on July 20, 1998. Pacific plans on completing implementation in Phases I-IV on a compressed approximately 30 day period for each phase. In this way, we can absorb some of the delay caused by Perot. And the completion of Phase V will be in line with the FCC mandated date. The revised implementation dates for each phase are set forth in the following table. The table again assumes that a certified NPAC is delivered by Lockheed Martin on May 11, 1998.

Phase	MSA	Current Start	Current Complete	Proposed Start	Proposed Complete
Phase 1	Los Angeles	10/1/97	3/31/97	6/18/98	7/20/98
Phase 2	San Diego Riverside	1/1/98	5/15/98	7/20/98	8/18/98
Phase 3	Oakland San Francisco Orange County	4/1/98	6/30/98	8/19/98	9/18/98
Phase 4	San Jose Sacramento Fresno	7/1/98	9/30/98	9/20/98	10/19/98
Phase 5	Ventura Bakersfield Stockton Vallejo	10/1/98	12/31/98	10/20/98	12/31/98

The bona fide request process for remaining switches will begin on January 1, 1999.

E. Proposed Schedule With Milestones

Attached as Exhibit D is a chart showing milestones assuming delivery of a certified NPAC from Lockheed Martin. In addition, we continue to supply periodic reports to the West Coast LLC and to the NANC LNP Working Group and the FCC.

VI. CONCLUSION

Pacific has shown that due to circumstances beyond its control, it is unable to comply with the implementation timelines mandated by the FCC. Pacific has detailed the substantial level of activity within the company, and external to the company, in order to try and meet the implementation schedule. Unfortunately, due to the failure of a vendor chosen by the West Coast LLC to provide the regional database system needed by every regional service provider, the mandated dates cannot be met. Good cause for this waiver